GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:220
ANSWERED ON:06.03.2006
AGRO- CREDIT CARD FOR FARMERS
Singh Chaudhary Lal

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has issued agro-credit card to the farmers;

(b) if so, the details and salient features thereof;

(c) whether with the help of this credit card, farmers will be able to get reimbursement immediately after loss is incurred as in the case of LIC and GIC;

(d) if so, the details thereof;

(e) whether any long term policy has been framed by the Government in this regard;

(f) if so, the details thereof;

(g) if not, the reasons therefor; and

(h) the details of the farmers benefited through this scheme, State-wise?

Answer

MINISTER OF AGRICULTURE (SHRI SHARAD PAWAR)

(a) to (h): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (h) OF LOK SABHA STARRED QUESTION NO. 220 DUE FOR REPLY ON 6TH MARCH, 2006.

(a) to (g): There is no scheme of issuing `Agro-Credit Cards for Farmers`, however, to provide adequate and timely credit support from the banking system to the farmers for their cultivation needs in a flexible and hassle free manner, a model scheme for providing credit cards to the farmers known as `Kisan Credit Cards (KCC) scheme` was introduced in the year 1998- 99.

2. Salient features of the KCC Scheme are :

Eligible farmers are provided with a Kisan Credit Card and a pass book or a Card- cum-Pass book.

Revolving cash credit facility involving any number of drawals and repayments within the sanctioned credit limit is available to the card holder.

Entire production credit needs of the farmer for a full year plus ancillary activities related to crop production to be undertaken by the farmer as also medium term investment loans and consumption credit are incorporated in the same card.

Credit limit is fixed on the basis of operational land holding of card holder, cropping pattern followed by the farmer and the scales of finance approved by a District Level Technical Committee for cultivation of different crops, based on agricultural practices adopted in the area.

Entire credit limit is disbursed in cash with discretion to farmers to purchase inputs of their choice in cash from outlets of their choice.

Card is valid for 3 years subject to annual review by financing bank.

Each drawal made by Card Holder is to be repaid within 12 months.

Conversion/reschedulement of loan is permissible in case of damage to cultivated crops on account of natural calamities.

As an incentive for good performance, credit limits could be enhanced by financing bank to take care of increase in costs, change in

cropping pattern adopted by the farmer and such other reasons.

Security, margin for loans are stipulated by Reserve Bank of India uniformly for all card holders.

Operations on the credit card account may be through card issuing branch or through other designated branches (at the discretion of financing bank).

Credit balances in the cash credit account are eligible for payment of interest by bank (as applicable to saving bank accounts).

Withdrawals from accounts are permitted through withdrawal slips/cheques duly accompanied by card cum passbook.

Coverage of KCC broadened to cover tenant farmers, oral lessees, share croppers.

With a view to making available all the credit requirements of the farmers under a single window, the scope of the scheme has been enlarged to cover other related purposes like term loans/working capital for agriculture and allied activities including a reasonable component to meet consumption needs.

3. Personal accident insurance cover upto Rs.50,000/- to cover accidental death/permanent disability under a master policy at a nominal premium of Rs.15/- for a one year policy and Rs.45/- for a three year policy has been made available to the card holder. The financing bank is to bear two-third of the premium amount.

Crop loans disbursed under KCC scheme for notified crops are covered under National Agricultural Insurance Scheme (NAIS). In the event of crop loss due to occurrence of natural calamities, claims are settled under NAIS on the basis of yield data made a available by the respective State Government.

(h): State-wise details of the farmers benefited through the Kisan Credit Card Scheme is annexed.

Annexure

KCC Scheme - Progress as on 31 December 2005 (Cumulative- Agency-wise) (Since inception)

(Rs. lakh)

Sr.	State/UT	Cooperative Banks		Regional Rural Banks		Commercial Banks		Total	
		No. issued	% Cards sanctd	Amt. issued	. No. sanctd	% Cards issued	Amt. sanctd	Cards issued	Amt. sanctd
1	Andhra Pradesh	22	3435529	537808	16	1213606	222728	4561856	828483	9210991	1589019
2	Assam	1	4410	398	5	50810	7042	169789	19935	225009	27375
3	Arunachal Pradesh	# 1	980	147	1	1334	193	8698	1041	11012	1381
4	Bihar	25	775438	79854	16	188207	48999	666726	145084	1630371	273937
5	Gujarat	18	1093743	1148274	9	157284	110878	799183	251641	2050210	1510793
6	Goa	$ 1	3310	679		5376	6490	8686	7169		
7	Haryana	19	1151120	609690	4	206510	146182	457014	303987	1814644	1059859
8	Himachal Pradesh	3	44322	22953	2	17038	11519	121521	34232	182881	68704
9	Jammu & Kashmir	4	43355	5150	3	7575	4335	5229	1336	56159	10821
10	Karnataka	19	1254599	672768	13	672977	508059	1350536	560327	3278112	1741154
11	Kerala	14	763491	157640	2	276992	71546	914125	218416	1954608	447602
12	Madhya Pradesh	38	2601658	684828	19	250341	102045	810846	367570	3662845	1154443
13	Maharashtra	29	3667537	1878855	10	155126	39546	1246159	413218	5068822	2331619
14	Meghalaya	# 1	3251	373	1	7250	798	19107	1911	29608	3082
15	Mizoram	# 1	2104	126	1	1114	258	5045	779	8263	1163
16	Manipur	# 1	491	57	1	1037	152	11719	1956	13247	2165
17	Nagaland	# 1	1209	25	1	659	51	8003	907	9871	983
18	Orissa	17	2443721	508859	9	304314	56669	545462	75145	3293497	640673
19	Punjab	19	802642	452976	5	62182	50570	819297	532419	1684121	1035965
20	Rajasthan	27	2644083	728813	14	228767	210456	810083	387018	3682933	1326287
21	Sikkim	#$ 1	1855	188		2778	471	4633	659		
22	Tamil Nadu	22	1472840	322464	3	133679	17691	1982387	426543	3588906	766698
23	Tripura	# 1	2489	383	1	12597	1551	17328	2101	32414	4035
24	Uttar Pradesh	50	5312308	549497	36	2094905	388441	3371101	991090	107783141	929028
25	West Bengal	19	914446	156027	9	161193	36470	677281	105252	1752920	297749
26	A & N island	# $ 1	2554	352		843	160	3397	512		
27	Chandigarh	$				935	172	935	172		
28	Daman & Diu	@#									
29	New Delhi	#$ 1	1714	678		2864	1965	4578	2643		
30	D & N Haveli	@$				16	14	16	14		

31	Lakshdweep @$			308	103	308	103		
32	Pondicherry $	1	5793	1127		21242	5422	27035	6549
33	Jharkhand	9	99165	13219	6	173450	14046	191802	25594	464417	52859
34	Chhattisgarh	7	663825	106805	5	137962	24960	124957	33520	926744	165285
35	Uttaranchal	9	269665	46215	4	18970	4807	129199	49659	417834	100681
Statewise breakup not available for CBs (1998-99)								188005	26604	188005	26604
TOTAL		382	29483647	8687228	196	6535879	2079992	20046820	5820566	56066346	16587786

Note : # SCB functions as CFA.
@ No Cooperative Banks in these UTs.
$ No RRB in these States/UTs.
% No. of banks implementing the Scheme
Amount sanctioned data provisional
CBs data received from RBI upto Sept 2005